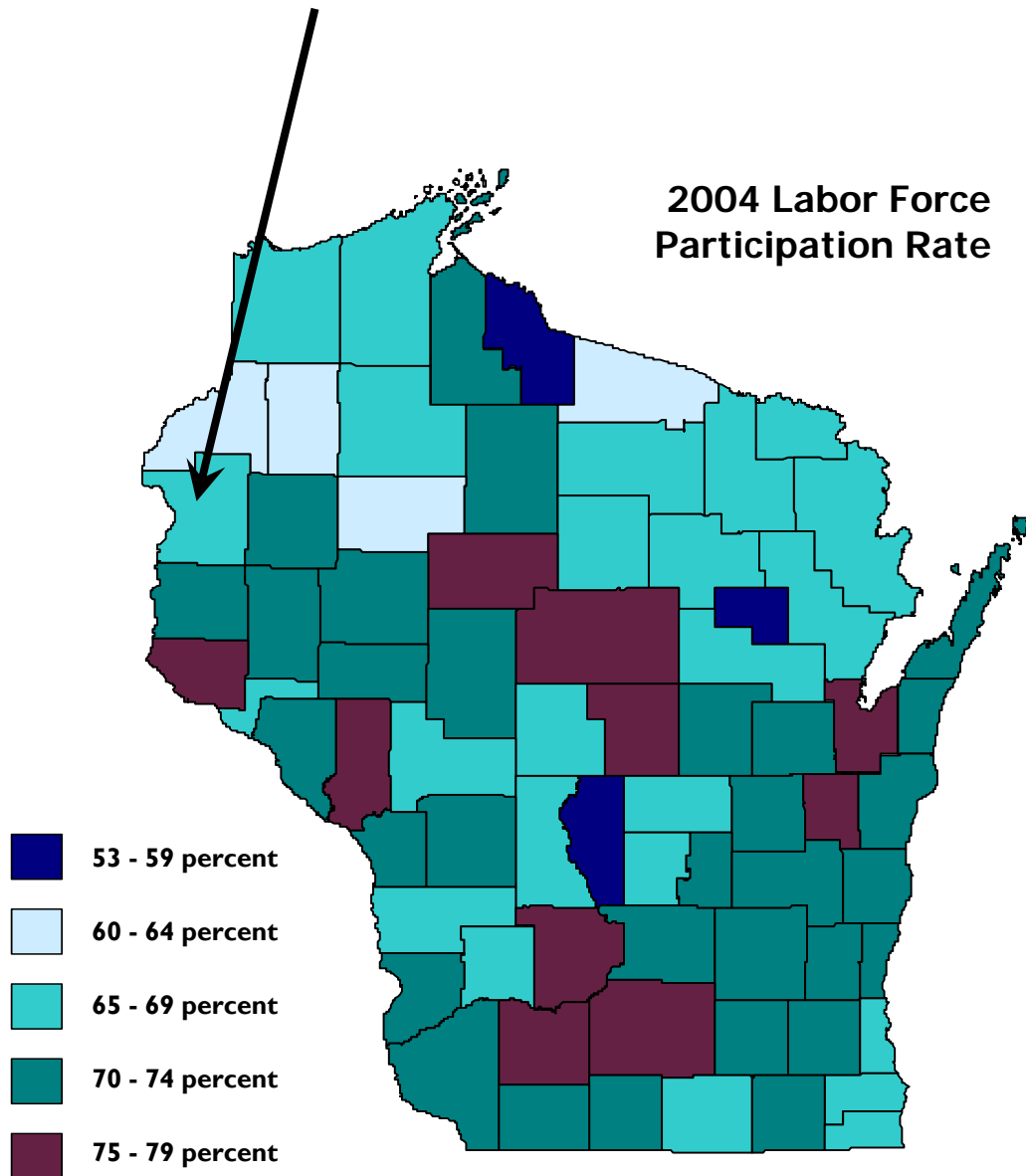


Polk County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

Regional contact:
Beverly Gehrke
Office of Economic Advisors
15618 Windrose Lane # 108
Hayward, WI 54843
715.634.5289
Beverly.Gehrke@dwd.state.wi.us



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

December 2005

OEA-10641-P

County Population and Labor Force

The population in Polk County increased 8.0 percent from 41,319 in April 2000 to 44,613 in January 2005. The percent change was double the rate in Wisconsin and ranked 6th fastest among the state's 72 counties.

The majority of that increase, 2,937, resulted from net migration although there were 357 more births than deaths over the five-year period. The increase from natural causes (births-deaths) of 0.9 percent was below the average in Wisconsin but the growth from migration ranked 6th in the state.

Nearly one-quarter of the workforce living in Polk County works in Minnesota and some of the fastest growing municipalities are home to those residents. The three fastest growing municipalities, the towns of Osceola, Alden and Farmington, offer easy access to the Minneapolis-St. Paul metropolitan area.

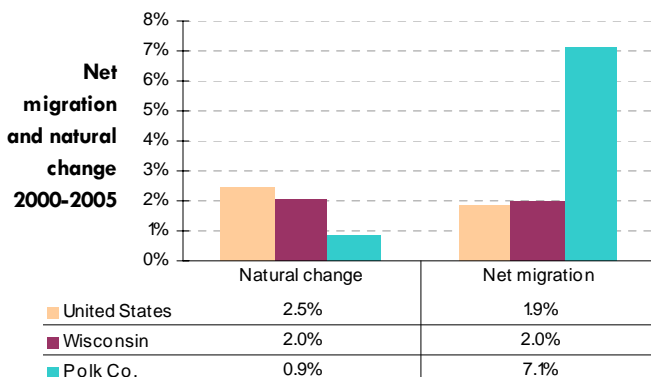
Many of the individuals moving to the county are middle-aged, but the county also attracts retirees. In 2005, roughly 25 percent of the labor force age population (residents 16 years and older) was aged 60 years or more. By 2020 that is projected to increase to 35 percent, and Polk County will rank 21st highest in the state in terms of elderly population. This bodes ominously for a future labor supply in the county.

The labor force is a sum of factors that relate to the age, sex and ethnicity of the population. Middle-aged residents have higher participation rates than either the young or elderly, female participation lags that of males, and participation rates

Five largest municipalities in Polk County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Polk County	41,319	44,613	3,294	8.0%
Amery, City	2,845	2,922	77	2.7%
Alden, Town	2,615	2,873	258	9.9%
Osceola, Town	2,085	2,672	587	28.2%
Osceola, Village	2,421	2,629	208	8.6%
Lincoln, Town	2,304	2,440	136	5.9%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



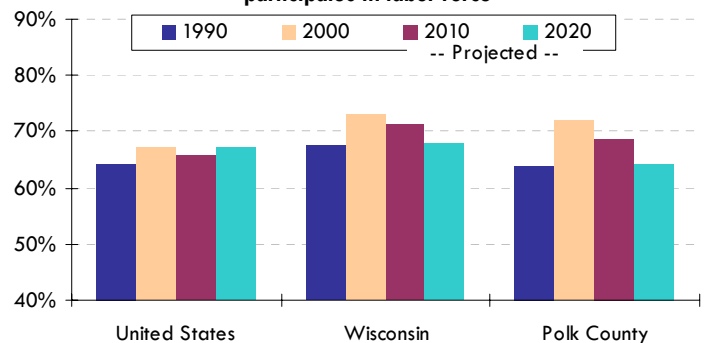
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Polk County
Total population in 2000	281,424,602	5,363,715	41,319
Population est. Jan. 1, 2005	295,160,302	5,580,757	44,613
Change	13,735,700	217,042	3,294
% change	4.9%	4.0%	8.0%
2005 Labor force population*	224,837,000	4,339,938	35,181
Share of total population	76.2%	78%	78.9%
Labor force	147,125,000	3,071,179	23,677
Labor force participation rate	65.4%	70.8%	67.3%
2005 Population 16 yrs. & over	228,621,674	4,417,313	35,677
16-24 yrs old	37,489,370	743,764	5,728
Share of population 16+ yrs	16.4%	16.8%	16.1%
25-59 yrs old	142,248,896	2,708,865	21,118
Share of population 16+ yrs	62.2%	61.3%	59.2%
60 yrs and older	48,883,408	964,684	8,831
Share of population 16+ yrs	21.4%	21.8%	24.8%
Projected population: 2020	335,804,546	6,110,878	49,592
Population 16 yrs. & over	264,085,104	4,869,573	40,383
16-24 yrs old	37,918,865	681,586	4,281
Share of population 16+ yrs	14.4%	14.0%	10.6%
25-59 yrs old	150,678,402	2,756,884	21,703
Share of population 16+ yrs	57.1%	56.6%	53.7%
60 yrs and older	75,487,837	1,431,103	14,399
Share of population 16+ yrs	28.6%	29.4%	35.7%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

among white population are declining as minority participation increases. With a larger share of population over the age of 60 participation will decline even though the labor force population increases.

Even though there is a short-term possibility that the current participation rate in Polk County of 67 percent might increase slightly, there is a stronger possibility that participation has already reached a high-water mark.

Revised Labor Force

The labor force in Polk County declined for only the second time in 15 years in 2004. The estimate in 2004 included 23,677 participants, fewer than in 2003 but still the second highest number since 1990. Both the count of employed and unemployed were down from record highs set in 2003. Since 1990 the number of unemployed increased by only 276 while the number of employed increased by 6,184.

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000 while the 1990s were updated to include changes from 1990 to 2000 but are still based on ratios from the 1990 census.

The most significant increases in the Polk County labor force occurred in the mid-1990s with the addition of over 3,000 jobholders. This increase reflects job growth with local employers and the influx of new residents with jobs who in turn sparked job expansion with trade and services employers. Manufacturing employment also expanded during this time with the addition of new employers and expansion from those already in the county. More job opportunities encouraged greater labor force participation which increased from 63.9 percent in 1990 to 72.1 by 2000.

Polk County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	17,217	16,209	1,008	5.9%
1991	17,581	16,259	1,322	7.5%
1992	18,204	16,770	1,434	7.9%
1993	18,624	17,499	1,125	6.0%
1994	19,723	18,762	961	4.9%
1995	20,458	19,574	884	4.3%
1996	21,530	20,657	873	4.1%
1997	22,431	21,539	892	4.0%
1998	22,504	21,611	893	4.0%
1999	22,216	21,406	810	3.6%
2000	22,770	22,022	748	3.3%
2001	23,474	22,276	1,198	5.1%
2002	23,590	22,160	1,430	6.1%
2003	24,095	22,463	1,632	6.8%
2004	23,677	22,393	1,284	5.4%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

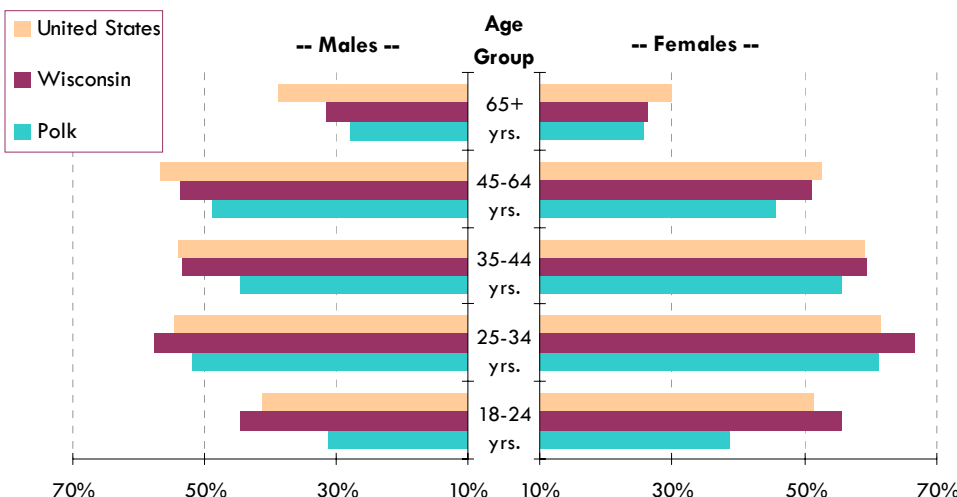
One of the most significant changes in employment that occurred during the last two decades was the shift from goods-producing to service-providing jobs. In tandem with this shift was the increase in demand for professional and technical workers employed in the high-skill services industries and the aggregation of these jobs in larger metropolitan areas.

Much of the job growth in high-skilled service jobs occurred in larger metropolitan areas while expansion in more rural economies produced lower-skilled service jobs and goods-producing jobs. The main exception in rural areas was job growth in health care and education, two industries with female-dominated professional and technical occupations. For

most counties in Wisconsin, including Polk County, this helps explain why there is a greater proportion of females in each age group with post-secondary education than males.

Growth of skilled professional and technical jobs in metropolitan areas attracted individuals from many rural areas. When students graduated from high school and left the area for post-secondary education there were few professional and technical job opportunities to bring them back to Barron County. As a consequence, the share by age group of Polk County residents with post-secondary education is less in every category than in the United States or Wisconsin.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

During a period when manufacturing jobs were declining in Wisconsin employers in Polk County added 148 production jobs. Other industry sectors were as prolific in 2004. Professional and business services employers, primarily those providing temporary help to other employers, added 147 jobs and employers in leisure and hospitality added 111 jobs. Most of the 151 additional jobs in the information sector resulted from a multi-location employer assigning jobs in another county to Polk County (corrections will occur in 2005).

Even without the employment gains in information the change in jobs in Polk County from 2003 exceeded the increase in Wisconsin of 0.9 percent. Job growth was due primarily to existing employers adding additional workers.

The increase of 5.3 percent in average annual wages also exceeded growth in the state of 4.0 percent but the average wage of \$27,737 was only 79.8 percent of the average in Wisconsin. Wages from all industry sectors, including the highest annual wage in the county of \$36,377 in manufacturing, fall short of counterpart wages in the state. The greatest disparity in wages occurs in public administration.

Manufacturing payroll is the highest in the county, compris-

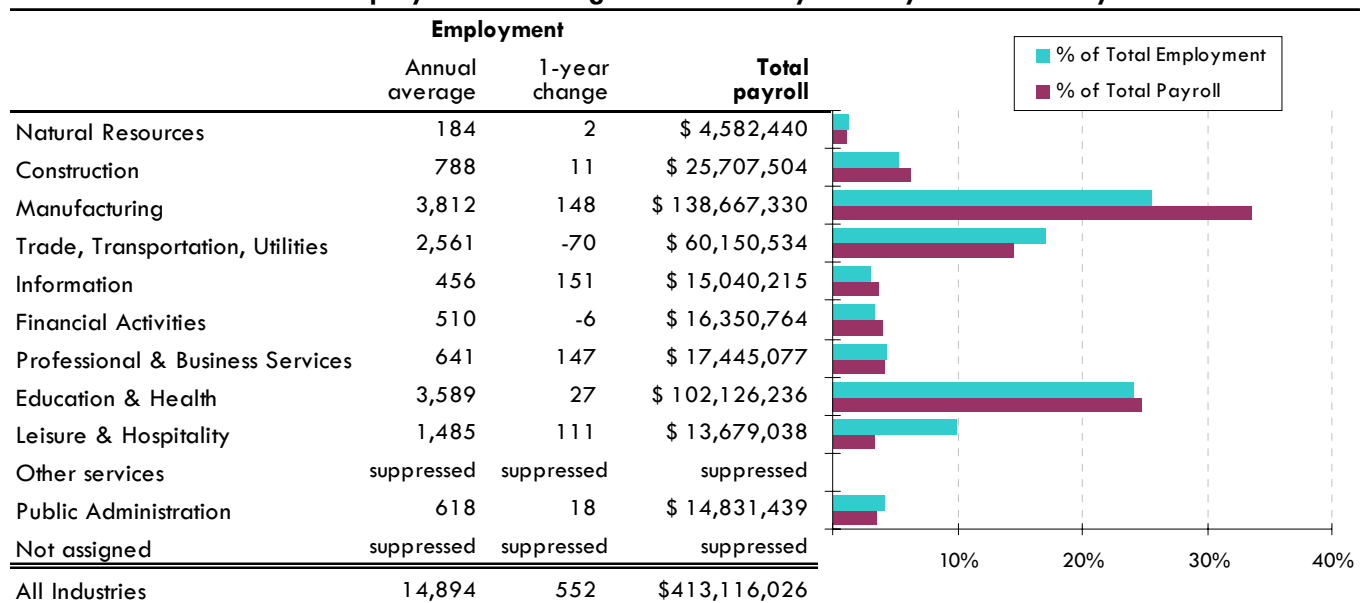
Average Annual Wage by Industry Division in 2004

	2004		Percent of Wisconsin	1-year % change
	Wisconsin	Polk County		
All Industries	\$ 34,749	\$ 27,737	79.8%	5.3%
Natural resources	\$ 27,399	\$ 24,905	90.9%	8.0%
Construction	\$ 41,258	\$ 32,624	79.1%	-0.5%
Manufacturing	\$ 44,145	\$ 36,377	82.4%	7.1%
Trade, Transportation, Utilities	\$ 30,088	\$ 23,487	78.1%	5.4%
Information	\$ 41,759	\$ 32,983	79.0%	43.0%
Financial activities	\$ 45,103	\$ 32,060	71.1%	6.0%
Professional & Business Services	\$ 39,580	\$ 27,215	68.8%	0.3%
Education & Health	\$ 36,408	\$ 28,455	78.2%	4.4%
Leisure & Hospitality	\$ 12,295	\$ 9,211	74.9%	-0.4%
Other services	\$ 20,207	suppressed	Not avail	Not avail.
Public Administration	\$ 36,347	\$ 23,999	66.0%	-2.4%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

ing roughly one-third of the total payroll paid by all employers covered under Wisconsin's Unemployment Insurance law, but the number of jobs with manufacturing employers is just slightly more than the jobs provided by employers in education and health services. Education (both public and private) and health services employers provide 24 percent of the jobs in Polk County while manufacturers provide 25.6 percent of the jobs. The manufacturing share of jobs is still higher than in many Wisconsin counties and higher than the state share of 18 percent.

2004 employment and wage distribution by industry in Polk County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Polk County

Establishment	Product or Service	Size (Dec. 2004)
Polaris Industries Mfg LLC	All other transportation equip. mfg.	500-999 employees
County of Polk	Executive & legislative offices, combined	500-999 employees
St Croix Regional Medical Center Inc	Gen. medical & surgical hospitals	250-499 employees
Osceola Public School	Elementary & secondary schools	250-499 employees
School District of Amery	Elementary & secondary schools	250-499 employees
Amery Regional Medical Center Inc	Gen. medical & surgical hospitals	250-499 employees
Trollhaugen Inc	Skiing facilities	100-249 employees
Ladd Memorial Hospital Inc	Gen. medical & surgical hospitals	100-249 employees
Wal-Mart Associates Inc	Discount department stores	100-249 employees
Balsam Lake-Unity-Milltown Public	Elementary & secondary schools	100-249 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Polk County

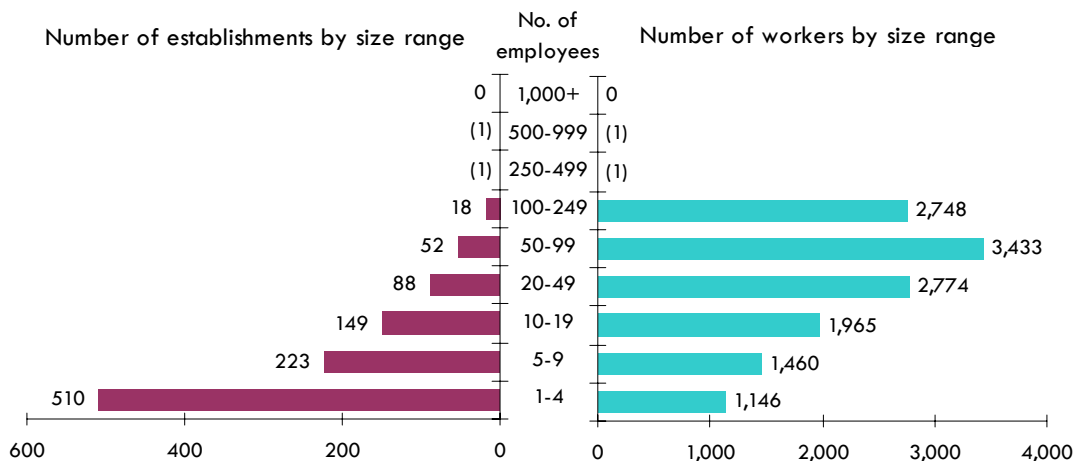
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Educational services	12	1,460	-21	130
Food services and drinking places	88	1,045	96	153
Hospitals	3	886	30	160
Transportation equipment manufacturing	*	*	not avail.	not avail.
Nursing and residential care facilities	14	656	27	93
Fabricated metal product manufacturing	28	551	122	45
Ambulatory health care services	51	539	38	-12
Plastics & rubber products manufacturing	14	448	54	-243
Food and beverage stores	14	414	-8	-15
Specialty trade contractors	71	379	-7	-4

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Polk County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Even though manufacturing employers provide over 3,800 jobs in Polk County only one employer — the county's largest — is in manufacturing. Most of the largest employers are in education and health services. Three school districts are among the largest employers as well as three hospitals. Only one other county in the state, Milwaukee, has three hospitals included among the top ten employers. In Polk, however, the number of jobs per establishment is 295 compared with over 1,600 in Milwaukee County.

Because 86 percent of the employers in the county have fewer than 20 workers, the overall average in the county is 13 jobs per establishment. Only two percent of the employers have more than 100 workers, yet they provide one-third of the jobs. Most of the larger employers are in industries included on the prominent industries list.

Three industries are on the list because there are many smaller employers who together provide many jobs. Those industries are food services and drinking places, ambulatory health care, and specialty trade contractors. In order these industries have an average of 12, 11 and 5 jobs per establishment.

Per Capita Personal Income

The per capita personal income (PCPI) in 2003 in Polk County of \$24,201 ranked 46th highest among Wisconsin's 72 counties. PCPI increased 2.6 percent in the last year and 13.9 percent since 1998. The percent change over last year exceeded an increase in PCPI in the state of 2.5 percent but the change since 1998 which ranked 54th in the state fell short of the increase in the state. Over the five-year period the Wisconsin PCPI increased 17.2 percent to the current level of \$30,685.

The per capita personal income report from the US Dept. of Commerce, Bureau of Economic Analysis, includes wages and salaries from job-holders, self-employed, proprietorships, and farmers. It also includes income from dividends, interest and rent; and income from transfer payments like Social Security, Medicaid, unemployment insurance, veteran's benefits, and welfare. The total of all these sources of income is divided by the total population to arrive at the per capita personal income.

Factors such as a higher share of residents without income (generally children), or residents on a fixed income (generally the elderly) can lower the PCPI. Another factor that heavily influences PCPI is net earnings, which comprise 70 percent of total personal income in the state and 69 percent in Polk County.

In Polk County total personal income in 2003 was \$1,047,479,000 up 3.9 percent from 2002 and 23.1 percent from 1998. The increase in total county income exceeded the increases in Wisconsin and the nation in both the one- and five-year intervals. Income losses from divi-

dends, interest, and rent were offset by gains in wages and salaries and transfer payments. In 2003 the county also experienced an increase in income from residents working outside of Polk County. The adjustment for residency in 2003 of \$211,216,000 is nearly 30 percent of net income from earnings and has increased 30 percent in the last five years.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Wausara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005